



For Release: Friday, January 12, 2018

18-18-CHI

MIDWEST INFORMATION OFFICE: Chicago, Ill.

Technical information: (312) 353-1880 BLSInfoChicago@bls.gov www.bls.gov/regions/midwest

Media contact: (312) 353-1138

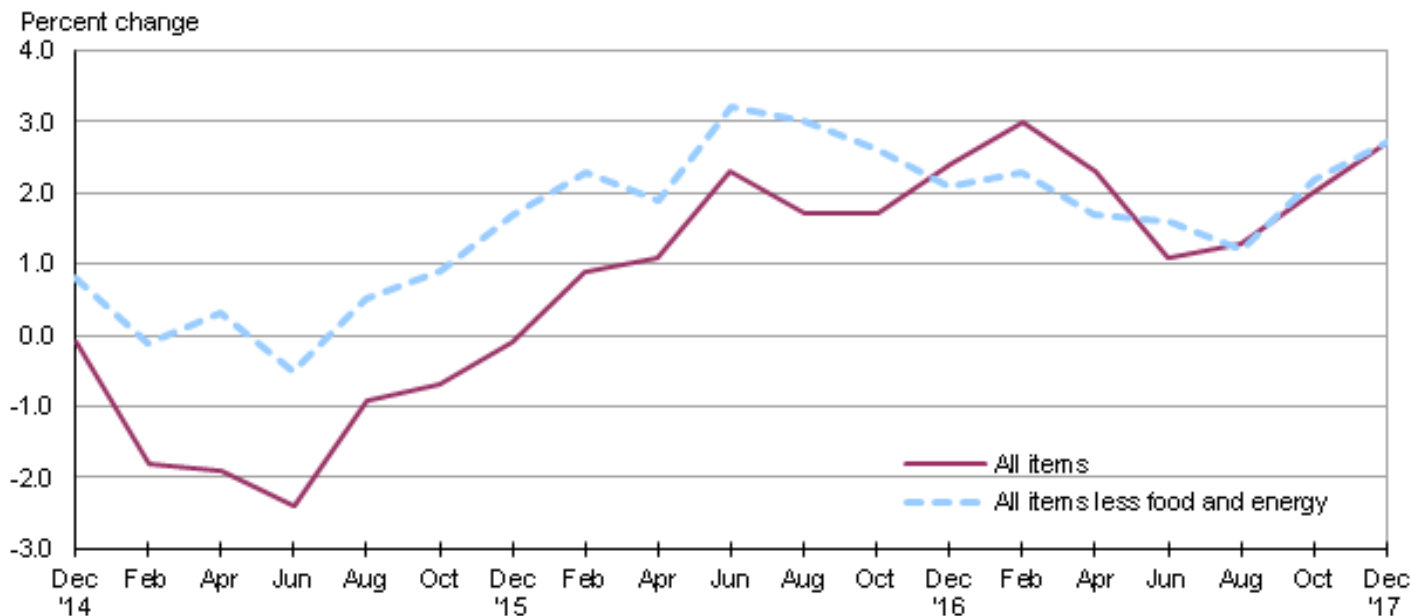
Consumer Price Index, Detroit-Ann Arbor-Flint — December 2017

Local prices rose 2.7 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Detroit-Ann Arbor-Flint area rose 0.1 percent from October to December, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that over the bi-monthly period the food index and energy index rose 0.4 percent and 2.0 percent, respectively, while the index for all items less food and energy decreased 0.2 percent. Among the indexes within the all items less food and energy category, prices were lower for apparel, shelter, and recreation. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the past 12 months, the Detroit all items CPI-U increased 2.7 percent. (See [chart 1](#) and [table A.](#)) The food index and the energy index rose 2.0 percent and 3.6 percent, respectively, from December 2016 to December 2017. The index for all items less food and energy rose 2.7 percent over the year. (See [table 1.](#))

Chart 1. Over-the-year percent change in CPI-U, Detroit, December 2014–December 2017



Source: U.S. Bureau of Labor Statistics.

Food

Food prices rose 0.4 percent from October to December. Of the two components within the food index, prices for food at home (groceries) increased 0.2 percent and prices for food away from home (restaurant, cafeteria, and vending purchases) were 0.8 percent higher.

Over the year, food prices in the Detroit area were up 2.0 percent. Prices for groceries and food away from home rose 0.8 percent and 3.8 percent, respectively, from December 2016.

Energy

The energy index for Detroit was 2.0 percent higher from October to December, primarily due to gasoline prices rising 2.8 percent. Electricity prices increased 1.1 percent, while utility (piped) gas service costs declined 0.3 percent.

From December 2016 to December 2017, overall energy prices rose 3.6 percent. Gasoline prices increased 11.7 percent over the year. In contrast, the electricity and utility (piped) gas service indexes declined 6.1 percent and 1.5 percent, respectively.

All items less food and energy

The index for all items less food and energy decreased 0.2 percent from October to December. Among the index's components, prices were lower for apparel (-6.5 percent), shelter (-0.4 percent), and recreation (-1.8 percent). Prices were higher for new and used motor vehicles and medical care (0.6 percent).

Over the year, the index for all items less food and energy rose 2.7 percent. A 5.4-percent increase in the index for shelter was a major contributing factor.

Table A. Detroit CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2013		2014		2015		2016		2017	
	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month
February	1.1	1.9	1.1	0.7	-0.7	-1.8	0.3	0.9	0.9	3.0
April	0.0	1.3	1.3	2.0	1.2	-1.9	1.4	1.1	0.7	2.3
June	1.2	3.3	0.5	1.3	0.0	-2.4	1.2	2.3	0.0	1.1
August	-0.7	1.3	-1.0	1.0	0.6	-0.9	-0.1	1.7	0.1	1.3
October	-0.1	0.7	-0.1	1.0	0.1	-0.7	0.2	1.7	0.9	2.0
December	-0.7	0.8	-1.8	-0.1	-1.2	-0.1	-0.6	2.4	0.1	2.7

The February 2018 Consumer Price Index for Detroit is scheduled to be released on Tuesday, March 13, 2018.

Consumer Price Index Geographic Revision for 2018

In January 2018, BLS will introduce a new geographic area sample for the Consumer Price Index (CPI). As part of the new sample, the index for this area will be renamed. The first indexes using the new structure will be published in February 2018. Additional information on the geographic revision is available at: www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force..

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The **Detroit-Ann Arbor-Flint, Mich.** consolidated area covered in this release is comprised of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties in Michigan.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Oct. 2017	Nov. 2017	Dec. 2017	Dec. 2016	Oct. 2017	Nov. 2017
Expenditure category						
All items	228.779	-	228.951	2.7	0.1	-
All items (1967=100)	680.027	-	680.539	-	-	-
Food and beverages	222.979	-	223.744	1.8	0.3	-
Food	222.295	-	223.257	2.0	0.4	-
Food at home	209.347	209.151	209.786	0.8	0.2	0.3
Food away from home	243.150	-	244.998	3.8	0.8	-
Alcoholic beverages	226.364	-	224.223	-0.2	-0.9	-
Housing	215.951	-	215.691	4.0	-0.1	-
Shelter	248.717	246.820	247.615	5.4	-0.4	0.3
Rent of primary residence(1)	249.677	250.763	251.310	3.7	0.7	0.2
Owners' equiv. rent of residences(1)(2)	246.137	246.379	246.752	5.7	0.2	0.2
Owners' equiv. rent of primary residence(1)(2)	246.137	246.379	246.752	5.7	0.2	0.2
Fuels and utilities	239.729	-	243.359	-2.0	1.5	-
Household energy	184.428	186.425	186.690	-3.0	1.2	0.1
Energy services(1)	187.028	188.148	188.053	-4.4	0.5	-0.1
Electricity(1)	214.499	217.390	216.782	-6.1	1.1	-0.3
Utility (piped) gas service(1)	146.128	145.282	145.742	-1.5	-0.3	0.3
Household furnishings and operations	118.067	-	118.215	2.2	0.1	-
Apparel	123.547	-	115.576	0.9	-6.5	-
Transportation	230.754	-	235.390	4.1	2.0	-
Private transportation	231.161	-	235.887	4.4	2.0	-
Motor fuel	221.508	245.116	227.824	11.8	2.9	-7.1
Gasoline (all types)	220.143	243.737	226.396	11.7	2.8	-7.1
Gasoline, unleaded regular(3)	220.814	245.212	227.160	12.1	2.9	-7.4
Gasoline, unleaded midgrade(3)(4)	262.705	286.470	269.610	10.7	2.6	-5.9
Gasoline, unleaded premium(3)	235.662	253.721	241.674	9.9	2.6	-4.7
Medical care	435.799	-	438.617	3.3	0.6	-
Recreation(5)	118.416	-	116.340	-1.9	-1.8	-
Education and communication(5)	142.939	-	142.692	-1.2	-0.2	-
Other goods and services	408.009	-	403.214	0.3	-1.2	-
Commodity and service group						
All items	228.779	-	228.951	2.7	0.1	-
Commodities	175.029	-	175.568	2.7	0.3	-
Commodities less food & beverages	150.075	-	150.503	3.3	0.3	-
Nondurables less food & beverages	184.535	-	183.848	4.9	-0.4	-
Durables	111.415	-	112.759	1.1	1.2	-
Services	283.759	-	283.592	2.7	-0.1	-
Special aggregate indexes						
All items less medical care	220.399	-	220.448	2.6	0.0	-
All items less shelter	224.054	-	224.723	1.6	0.3	-
Commodities less food	152.872	-	153.232	3.1	0.2	-
Nondurables	203.784	-	203.791	3.3	0.0	-
Nondurables less food	187.316	-	186.547	4.6	-0.4	-
Services less rent of shelter(2)	334.920	-	336.038	0.4	0.3	-
Services less medical care services	273.956	-	273.796	2.6	-0.1	-
Energy	204.842	216.426	208.943	3.6	2.0	-3.5
All items less energy	233.990	-	233.754	2.6	-0.1	-
All items less food and energy	236.707	-	236.252	2.7	-0.2	-

Note: See footnotes at end of table.

Footnotes

(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(2) Index is on a December 1982=100 base.

(3) Special index based on a substantially smaller sample.

(4) Indexes on a December 1993=100 base.

(5) Indexes on a December 1997=100 base.

- Data not available.

NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.